



INSURANCE FRAUD INVESTIGATION DIVISION

Kentucky Department of Insurance

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Fraud Statistics/Convictions Activity

August 2009

Fraud Statistics

	<u>Month</u>	<u>YTD</u>
Total Referrals Received.....	85	751
Closed Referrals.....	86	537
Open Cases (Investigations-includes prior years)		238
Assigned Cases (Investigations).....	12	73
Closed Cases (Investigations).....	9	54
Closed Cases (Investigations) Exceptionally Cleared – Declined by Prosecutor.....	1	8
Charges (8 felonies).....	8	42
Convictions (4 felonies, 6 misdemeanors).....	10	61
Restitution Ordered..... \$	14,225.76	\$ 761,734.82

Convictions Activity

Frank Coleman, Jr. – On or about 1/16/07, Coleman made a false statement to Kentucky Employers Mutual Insurance (KEMI) that he was not working, in support of a claim for continuing workers' compensation benefits in the amount of \$1,165.85, when in fact he was working at Twin Energy Contracting. On 7/16/09, Coleman was charged with one felony count of fraudulent insurance acts over \$300.00 in Pike District Court. He pled guilty to the amended misdemeanor charge of fraudulent insurance acts under \$300.00 and was sentenced to 12 months probated for 12 months. He was ordered to pay restitution in the amount of \$1,165.85 to KEMI, pay a fine in the amount of \$1,000.00 (\$500.00 suspended) to the Fraud Division for investigative expenses, and court costs of \$150.50.

Justin Othella Davis – On various dates, Davis, an independent life and health insurance agent for various life insurance companies, submitted life insurance applications on behalf of individuals which contained fraudulent information, knowing that by doing so he would obtain benefits to which he was not entitled in the form of commissions. On other various dates, Davis submitted fraudulent life insurance applications, knowing that by doing so, he would obtain benefits to which he would not otherwise be entitled in the form of commissions. On 4/7/09, Davis was indicted by the Fayette County Grand Jury on three felony counts of theft of identity of another without consent, and five felony counts of fraudulent insurance acts over \$300. On 5/15/09, Davis entered a guilty plea to one felony count of theft of identity of another without consent and two amended misdemeanor counts of criminal attempt to theft of identity of another without consent; and two felony counts of fraudulent insurance acts over \$300 and three amended misdemeanor counts of criminal attempt to fraudulent insurance acts. He was sentenced to an indeterminate term of Counts 1-3, one year on each count to run consecutively; and Counts 4-8, twelve months on each count to run concurrently, for a total of three years, but imposition of sentence is hereby suspended, and Davis is placed on probation for three years. He was ordered to pay court costs of \$155 and a \$10 per month probation fee to the Fayette Circuit Court,

Kenneth Alford Lamere – From 9/7/04 through 3/20/07, Lamere represented that Joyce Lamere was his wife and signed his Blue Cross Family Health application at Kentucky Electric listing her as his spouse, knowing that they were divorced. In future years, he continued to sign election forms listing her as his wife, thereby unlawfully conferring insurance benefits upon her totaling \$13,059.91. On 6/3/09, Lamere was charged and pled guilty to one felony count of fraudulent insurance acts over \$300 in Woodford Circuit Court. He was sentenced to one year probated for five years and was ordered to pay restitution in the amount of \$13,059.91 which has since been paid, a fine in the amount of \$2,548.00 to the Fraud Division for investigative expenses, and court costs of \$155.50.